

FACING PROBLEMS IN CUBA

General Wood, of Santiago,
Hastening to Washington.
A TEXAS COLONEL DYING

Plans for Arms in Havana—
Pleased with Honorable Conduct
of Spanish General Castellanos—
Santiago Still Agitated by Propo-
sition to Divert Its Resources to
Havana—Our Government in no
Ordering Follows a Precedent Set
by Spain—Santiago's Needs.

(By Telegraph to Virginian-Pilot.)

Havana, Jan. 3.—General Ludlow has caused several private houses to be searched for arms. Eighteen rifles were seized at No. 40 Compostelle street and eight rifles were taken possession of in a house on Tonitruero street. The searches were made in the middle of the night and were submitted to quietly.

PLEASED WITH CASTELLANOS.

The American military commissioners are pleased with the honorable conduct of General Castellanos and sympathize with him. They will probably make a representation to President McKinley suggesting some recognition of the Spanish commander's conduct.

The United States transport Michigan, from Savannah, Ga., on December 31, with two battalions of the Third Nebraska, has arrived here.

Telegrams received from Matanzas announce the arrival there of General Castellanos, who will not leave his ship. The United States flag was hoisted at Matanzas on Sunday.

The sugar centrals of Matanzas and Havana provinces started grinding cane yesterday.

TEXAS COLONEL DYING.

Col. W. H. Mabry, of the First Texas Regiment, is dying of cerebro-spinal meningitis, with which he was attacked on Saturday last. At a consultation of surgeons at the Queros Camp, where the Colonel is being cared for, hope of his recovery was given up. Colonel Mabry was recommended by Generals Lee and Keifer a few days ago for appointment to the regular army.

HASTENING TO WASHINGTON.

Santiago de Cuba, Jan. 3.—Major General Leonard Wood, the American military commander here, has called for permission to go to Washington for two days, and has been granted leave of absence. He will leave Santiago on board the United States transport Mississippi to-morrow morning.

The reason of the General's departure is unquestionably the order received from Havana to transmit the entire customs receipts each week to that city. As called last night, compliance with these instructions would involve the abandonment of many necessary public improvements, would throw 10,000 Cubans out of employment and would send them to the hills to become bandits and would revive Spain's practice of monetary centralization which caused most of her troubles in Cuba.

It is believed General Wood is desirous of seeing the President on this subject.

FOLLOWING SPANISH PRECEDENT.

There was a mass meeting here this afternoon of business men of all kinds to protest against the order from Havana.

The members of the San Carlos Club are in a fever of excitement. They say, as previously pointed out, that the main cause for complaint against Spanish rule was the continual demand for money obtained from the different provinces, which, they claim, should remain in the provinces and be spent there.

Colonel Vallente, the Cuban, who was appointed chief of the gendarmerie, was quite outspoken on the subject. He said the Cubans had fought thirty years against this policy, and they were ready to fight thirty more if necessary.

Americans who are familiar with the situation here agree in saying the Cubans have good cause for complaint in this instance.

ANOTHER OF MANY PROBLEMS.

Washington, D. C., Jan. 3.—The objection of the citizens of Santiago to the execution of the War Department's program requiring the customs collections to that port and at all other Cuban ports, to be sent to Havana, has brought the War Department face to face with another of the many problems connected with the administration of affairs in Cuba that require speedy settlement. The order is felt to be absolutely necessary, the interest of good government requiring that there should be but one responsible head to the customs service in Cuba. It was pointed out at the War Department to-day that if Santiago, at one end of the island, and Havana, near the other, were allowed to keep their customs receipts, such provinces as Puerto Principe and Pinar del Rio would be without funds to make any public improvements.

A PLAN PROPOSED.

The officials are disposed to allow each of the military commanders of the seven departments into which Cuba is now divided to submit requisitions based upon estimates of cost of such public works, as sanitation, harbor improvements, and road and bridge building as it is deemed desirable to undertake. The cabinet which General Brooke is about to call to his assistance in the administration of the island probably will examine into these necessities and propose an allotment of the total customs collections and internal revenue taxation in proportion to the needs of the communities and in accordance with principle of justice and

good government. In all likelihood these allotments will require the approval of the Secretary of War.

SANTIAGO'S NEEDS.

In the case of Santiago, it is the belief of one of the highest officials of the War Department that the transfer of money from that sub-port to Havana will be almost nominal, for the needs of the province at large probably will absorb the greater part of the actual cases. The whole subject is now under consideration, falling directly under the purview of Assistant Secretary McKeljohn and some order on the subject may be expected at an early date.

A MASS MEETING.

The mass meeting was held in the Plaza and was attended by 3,000 persons. Energetic speeches were made against the policy of centralizing money at Havana. Most of the speakers declared that the principle which it was now proposed to put into effect again had been fought against by them for thirty years. All were exceedingly eulogistic in their references to General Wood, imploring him to use his influence with the Washington government against a revival of one of the worst features of the Spanish regime.

GENERAL WOOD'S OPINION.

General Wood expresses the emphatic opinion that all customs receipts should be expended in the respective provinces in which they are taken, with the exception of such a percentage for Havana as may be necessary for governmental expenditures, geological surveys and other features of public business of that character.

The local papers again renew their assertions that if such an order is enforced it will mean, if not civil war, at least anarchy and riot in the province of Santiago, calling for a large force of United States troops.

The Cubans are making elaborate preparations for a demonstration on General Wood's departure. A band will escort him to the wharf and the members of the Supreme Court will accompany the Mississippi down the bay at the expense of the Cubans.

INSURGENTS DISBANDING.

London, Jan. 4.—The Havana correspondent of the Times says:

"I have had an interview with General Mario Menocal, commanding the Cuban forces in the province of Havana and Matanzas. He told me the insurgent generals would not accept any proposals by General Maximo Gomez calculated to produce friction between the Americans in Cuba and that the disbanding of the Cuban army was proceeding steadily throughout the island."

THE TREATY OF PEACE.

WILL BE SUBMITTED TO CONGRESS PROBABLY TO-DAY.
(By Telegraph to Virginian-Pilot.)

Washington, Jan. 3.—The treaty of peace negotiated at Paris will be submitted to Congress almost immediately on its reconvening—probably to-morrow. Although a tempting opportunity offers for the presentation of a most forcible argument for the speedy ratification of the treaty, in the shape of a ringing message to Congress on the subject, President McKinley has decided to leave the presentation of the merits of the treaty to its friends in the Senate. Accordingly the treaty will go to the latter body with the briefest possible message of transmission by the President.

Although it is admitted unofficially, that the text of the conventions has been published in the newspapers with absolute accuracy, the Executive still insists upon maintaining official secrecy as to the treaty, as a courtesy to the Senate, which will be allowed the privilege of making the document public in its own discretion. It is not known at this time whether the protocols will accompany the treaty, or whether they will be submitted later to the committee on Foreign Relations. At any rate, they are now of very little public interest, and that little is purely historical, for the result of the treaty is the commission's work being done. There is little general curiosity to learn the steps by which they were reached.

ALGER'S BOARD OF SURVEY.

WILL ASCERTAIN WHY MILES WOULDN'T FEED ROTTEN BEEF.

(By Telegraph to Virginian-Pilot.)

Washington, D. C., Jan. 3.—The board of survey appointed by the Secretary of War to examine into and report upon the responsibility for the loss of 300,000 pounds of refrigerator beef of Swift & Co., which was rejected by General Miles upon its arrival at Ponce, Porto Rico, and which was subsequently thrown overboard while en route on the return voyage, met to-day, but decided that inasmuch as the proceedings of a board of survey were subject to review that they would not be made public. The board is instructed to ascertain if proper effort was made to feed the beef to the troops in Porto Rico, and fix the responsibility in case proper effort was not made. To ascertain whether, as reported in the testimony before the War Commission, the beef had been chemically tested, and whether the United States was responsible for its loss, which involves a recommendation as to whether Swift & Co. should be reimbursed. A board of survey has no power to administer oaths. It can only find on information and recommend, subject to review of the appointing officer. In this case Secretary of War Alger. The board will investigate the questions with which they are charged. They intimate that the proceedings are not of great importance, inasmuch as the reimbursement of Swift & Co. should be paid for the beef. Such a recommendation, however, necessarily involves fixing the responsibility for the rejection of the beef.

Roosevelt on Pardons.

(By Telegraph to Virginian-Pilot.)

Albany, N. Y., Jan. 3.—Governor Roosevelt has established a code of rules to govern his consideration and determination of applicants for pardons and commutations of sentence. He will not exercise executive clemency in behalf of a man who has been convicted of murdering or abusing his wife, nor will he pardon any habitual criminal. His mercy will be shown only to those whose sentence seems to have been severe or whose commission of a crime was the result of influence.



"HOW SHARPER THAN A SERPENT'S TOOTH IT IS TO HAVE A THANKLESS CHILD!"
Aguinaldo: "Get out, you old stuff! I won this war myself!"—New York Journal.

ARRESTED FOR SWINDLING CAUCUS NOMINATES QUAY

Baron and Baroness de Bara in
the Toils.

Used United States Mails in an Alleged Scheme to Defraud—Victims Throughout England and Scotland—Receipts Were Large.

(By Telegraph to Virginian-Pilot.)

Jacksonville, Fla., Jan. 3.—Postoffice Inspector W. S. Mayer, acting under the direction of Inspector in charge, Major James E. Stuart, of Chicago, caused the arrest at St. Augustine this afternoon of Baron and Baroness de Bara, for using the United States mails in an alleged scheme to defraud.

The Baron and Baroness were arrested at their home in St. Augustine to-day by United States Marshal Horr, and while they made no resistance, they claimed that the case is one of mistaken identity. Their home is furnished with almost regal magnificence; bric-a-brac worth thousands of dollars adorned the walls and mantels. They have been receiving with more or less social regard since coming to St. Augustine, and their entertainments have been very elegant. They will be given a hearing before United States Commissioner Goodell at 10 o'clock to-morrow morning.

A Boston Banker Assigns.

(By Telegraph to Virginian-Pilot.)

Boston, Jan. 3.—President T. O. Brown, of the Atlantic National Bank, of this city, formerly treasurer of the Assabet Manufacturing Company, whose note he had endorsed, resigned as president of the bank on Saturday, and to-day made an assignment. Mr. Brown's name is largely upon the one-year notes which he endorsed some time ago individually while he was treasurer, and he did not desire to sacrifice his personal property to meet maturing obligations of the company. It is believed that the Assabet mills will come out all right. It is a concern with \$1,000,000 capital, and a plant which cost \$2,000,000, of which the second million was paid from earnings and written off. The company has \$600,000 cash and bills receivable, and \$1,200,000 of modern goods on hand to meet its \$1,500,000 liabilities.

Atlantic Coast Line's New Service.

(By Telegraph to Virginian-Pilot.)

Washington, Jan. 3.—Commencing on the first of this month the Atlantic Coast Line put in service on their Florida and West Indian limited solid vestibuled trains, with coaches and Pullman palace sleepers through to Jacksonville and Port Tampa, Fla.

Commencing January 15th, they will put in service for the season of 1899, their New York and Florida special train, composed entirely of Pullman palace vestibuled, sleeping, compartment, dining, library and observation cars, heated by steam, and lighted throughout by electricity, leaving New York daily, except Sunday, at 12:20 p. m., and this city at 6:20 p. m., arriving at Jacksonville at 1:10 p. m., and St. Augustine at 2:20 p. m. next day.

Estimates for New Warships.

(By Telegraph to Virginian-Pilot.)

Washington, January 3.—Secretary Long has completed detailed estimates for Congress for the fifteen new warships he recommended to be constructed in his annual report. The figures for the armament and armor for all the ships, \$14,168,400, and for construction and engineering, \$36,100,800.

His Enemies Fail to Defeat Him.

Forty-five Republicans Remain Away from Caucus and Claim Is Made that He Cannot Succeed Himself in the Senate.

(By Telegraph to Virginian-Pilot.)

Harrisburg, Pa., January 3.—Despite the efforts of the opponents of Senator Quay to secure a postponement of the Senatorial caucus until a later date, the adherents of the Senator secured their point to-night and secured the endorsement of their favorite by 109 of the 164 Republicans of the Pennsylvania Legislature. This is 19 less than the number to elect a United States Senator on joint ballot, the total membership being 25 per cent., of which 128 is a majority.

The anti-Quay leaders are jubilant over the result of the caucus, and claim that the man they are fighting can never succeed himself in the Senate. On the other hand the Quay people and Senator Quay himself express confidence of ultimate victory. They say that of the absentees two members of the House, Snyder, of Luzerne, and Clark, of Washington, are kept away by sickness, and will vote for Senator Quay. This would leave him 17 votes short of the number necessary to elect, and the efforts of the Quay leaders will be directed during the next two weeks toward securing these votes. Senator Quay is bitterly opposed in the future by the group of men who have made the fight against Mr. Quay as they have been in the past.

The Quay leaders during the past few days have been claiming anywhere from 118 to 135 votes in the caucus. The fact that the actual figures was away below their lowest claim is regarded by many here as a source of great disappointment to them. This class of prophets is strong in the belief that Senator Quay is beaten.

DAVE MARTIN'S ACTION.

Undoubtedly the decision of Senator David Martin at an early hour this morning to remain out of the caucus had much to do with the success of the efforts of the anti-Quay people. Senator Quay has expressed confidence all along that Martin would be with him when the time came to make his vote effective, but others well informed on the situation have felt that if Mr. Martin found it possible to defeat Senator Quay he would throw all the strength of his political power against him.

All agree that much depends upon the action that the State Supreme Court will take in Philadelphia on January 7th, on the proceedings brought before that body through a writ granted recently, the effect of which is to bring the criminal proceedings against Senator Quay before the Court of Review. If the proceedings are quashed by the Supreme Court Mr. Quay will assuredly be re-elected. If, on the contrary, the court refuses to interfere with the regular course of the legal procedure against Senator Quay, and decides that he must stand trial on the indictments found against him, there can be no doubt that the position of his opponents will be greatly strengthened.

THE CAUCUS.

Senator Grady, of Philadelphia, presided over the caucus. He called the assembly to order at 8:10 p. m. The roll call showed 27 of the 37 Republican members of the Senate present, and 81 of the 127 members of the House—a total of 108. Later Representative Hardol, of Senator Quay's coun-

ty of Beaver, came in, increasing the total to 109. He voted for Quay. Forty-five Republicans remained out of the caucus and refused to commit themselves to the action of the caucus. Senator Hawkins is at Manila with the Tenth regiment, Pennsylvania volunteers, of which he is Colonel, and has not qualified. Representatives Snyder of Luzerne, and Clark, of Washington, were kept away from the caucus by sickness.

QUAY'S NAME CHEERED.

The business for which they had gathered was quickly proceeded with. Senator Morrick, of Toika, one of the best speakers in the Legislature, who had been selected to place Mr. Quay in nomination, did his work well. When he had finished with the mention of the name of Mr. Quay the vast crowd present broke into prolonged applause and cheering. The nominating speech was a glowing eulogy of Senator Quay.

Speaker Farr made a brief speech explaining why he would vote for Mr. Quay, as did also Senator McCarroll, of Dauphin, and Representatives Adams, of Philadelphia; Kress, of Franklin, and Harris, of Clearfield.

Then Senator Magee, of Allegheny, the men who is looked upon by many as being a possible successor to Quay, took the floor. He got almost as much applause as Senator Quay. He made a modest and brief speech, nominating Benjamin F. Jones, of Pittsburgh, once chairman of the Republican National Committee, and a great iron manufacturer.

The ballot was then taken, the announced result being Quay, 98; Jones, 9; Magee, 2; Hersh, of Philadelphia, and McLaughlin, of Washington, voted for the latter. John R. Mulkie, of Erie, voted for J. F. Downing, of Erie, but changed to Quay. Those voting for Jones were Senator Magee and Senator Crawford, and Representatives Hosack, McFarland, Klump, and Nisbet, McWhirly, Rhodes, of Allegheny, and Britton, of Franklin.

MAGEE WEAKENS.

As soon as the vote was announced Mr. Magee said:

"I now move that the nomination be made unanimous."

The outburst of applause which followed this motion was by far the greatest demonstration of the night. Cheer followed cheer and the Allegheny man, who has so long fought Mr. Quay, was assuredly the lion of the hour. The motion was carried and adjournment was had immediately after, the caucus having consumed one and a half hours' time.

QUAY PROFFERS SATISFACTION.

Senator Quay made this statement at midnight:

"I am entirely satisfied with the result of to-night's caucus. A number of members of the Legislature who did not agree to enter the caucus to-night have assured me of their cordial support when the Assembly meets in joint convention. These votes will be more than sufficient to elect me. I am absolutely confident of my success."

ANTI-QUAY CAUCUS.

Harrisburg, Pa., Jan. 3.—A meeting of the absentees from the caucus will be held to-morrow morning to perfect a permanent organization. Either Senator Elmer, of Allegheny, or Senator-elect Martin, of Philadelphia, will be elected chairman. The anti-Quay leaders claim that five of those who participated in the caucus will not be bound by its action. They take the position that it was not a regularly constituted caucus, and that their votes do not bind them to vote for Quay. The caucus members signed a written pledge binding them to keep away from the caucus. Three of these were prevented from taking part in the meeting by illness, and the fourth declined to sign the paper, although committed to vote against Quay.

The signers agree not to attend a Senatorial caucus until after the Supreme Court has disposed of the petition of Senator Quay.

WANAMAKER'S STATEMENT.

John Wanamaker gave out a statement at midnight, in which he says in part:

"The vote to-night says plainly that this Legislature will not blindly follow a discredited leader. The old members are not to be menaced and the new members are not willing to marry into the Quay political family at the present time. The opposition to Quay rule grows. Ninety-eight men out of 254 cannot give Mr. Quay the license he wants to represent Pennsylvania for six years more."

INDIA'S NEW GOVERNOR.

WELCOMED AT CALCUTTA WITH ROYAL SALUTE.

(By Telegraph to Virginian-Pilot.)

Calcutta, Jan. 3.—The new Viceroy of India, Lord Curzon, of Kedleston, and Lady Curzon, arrived here at 5 o'clock this afternoon, and were received by the government officials and the military and civil authorities at the Howrah station of the East Indian Railroad. The volunteers and native infantry furnished a guard of honor and gave the royal salute.

Lord and Lady Curzon were warmly greeted on alighting from the train. They then proceeded in carriages attended by the personal staff, the Secretaries of the Government, and the Earl of Elgin's aides-de-camp, escorted by the Calcutta Light Horse, and the Vice Regent body guard, towards the government house.

As the procession appeared on the Hooghly bridge a royal salute was thundered from the ramparts of Fort William.

North Carolina Legislature.

(By Telegraph to Virginian-Pilot.)

Raleigh, N. C., Jan. 3.—The General Assembly of North Carolina will meet here to-morrow at noon. The Democrats have a large majority in both houses.

Ex-Judge Henry G. Connor, of Wilson, will be Speaker of the House. He was chosen to-night by the Democrats in caucus. The Republicans will nominate W. W. Hampton, of Surry county.

A resolution was unanimously passed to the effect that no one but white men be employed when they can be had from the highest to the lowest servant. Heretofore many of the positions of minor importance, even under Democratic administrations, have been filled by colored men.

OTIS BREAKS LONG SILENCE

General Miller Has the Iollo
Situation in Hand.

THE PRESIDENT'S PURPOSE

Hostile Collision Between American and Filipinos Must Be Avoided Pending Ratification of Peace Treaty—The Trouble at Iollo Traced to Spanish Sources and a Trick Disclosed—Aguinaldo's Power Waning—President's Proclamation Withheld—Rear Admiral Dewey to Establish Hospital.

(By Telegraph to Virginian-Pilot.)

Washington, D. C., Jan. 3.—General Otis, commanding at Manila, has cabled the War Department that in his opinion General Miller has the situation well in hand at Iollo and that he fully understands the purpose of the President not to crowd the insurgents unduly. It is highly desirable that a hostile collision between the American forces and the insurgents be avoided at all hazards, at least pending the ratification of the peace treaty, and as General Miller understands now this purpose on the part of the President, he will be guided by it and may be relied upon to resort to force only under absolute compulsion.

A SPANISH TRICK.

The officials here are now fully satisfied that the trouble at Iollo may be traced directly back to the Spanish colonel, who was the senior Spanish army officer in the Philippine group, and directly in command of the Visayas group, including the principal island of Panay and the city and garrison of Iollo. General Otis' reports show that though besieged with his 600 soldiers in Iollo by a superior force, the position of the Spanish was thoroughly tenable. They had repulsed every attack of the insurgents and had inflicted great loss upon the latter, and altogether there was no reason why they should not have held out indefinitely.

This was particularly the case in view of the knowledge on the part of the Spaniards that by the terms of the treaty the United States Government has undertaken to carry them back to Spain, involving, of course, their release from the siege of the earliest practicable moment. It is significant that Ilos delayed the evacuation of Iollo until he became informed that the Americans were coming, and there is curiosity here to learn how that important information reached Iollo in advance of the movements of the American transports and in the absence of cable connections. Undoubtedly it was conveyed by a vessel, and there may be a question raised as to the legitimacy of the transmission of news of the intentions of the American troops in advance in this fashion.

THE FILIPINO PARLIAMENT.

One feature of General Otis' report that has escaped mention so far is his notice of the approaching meeting of the so-called Filipino Parliament, which is to gather, presumably at Malolos, about twenty miles from Manila, on the Island of Luzon, Thursday. A good deal of interest is attached to this meeting, as General Otis reports that by the attendance the strength of Aguinaldo's party can be gauged. That this is waning rapidly is not doubted, and General Otis feels that when the attempt is made to convene the Parliament it will be found that Aguinaldo has lost his control of the majority, and cannot command even a working coalition. Such a state of affairs would tend to make easier the task of the military authorities of the United States of establishing peacefully a temporary form of government for the Philippines that will command the support of the people and receive the approval of the civilized world.

PROCLAMATION WITHHELD.

General Otis has not yet published the proclamation by President McKinley, which was cabled from Washington to him about a week ago. Feeling full confidence in his judgment the officials here are not disposed to question his withholding the proclamation from the Filipinos, though it would seem that the animating purpose in preparing and cabling it was to soothe and satisfy the Filipinos, and counteract the insidious attacks the Spanish element has been making upon the integrity of the Americans' intentions respecting the Philippines.

DEWEY HEARD FROM.

Admiral Dewey was heard from by cable at the Navy Department to-day, but made no reference to the political situation in the islands. He reports that he had found a building suitable for a naval hospital at Cavite, and asked authority from the department to establish it at once. It was unusual amount of sickness among the American sailors, but realizing that the naval

(Continued on Page Eleven.)

OTHER TELEGRAPH PAGE 6.

CLASSIFICATION OF NEWS BY DEPARTMENTS.

Local News—Pages 1 and 6
Telegraph News—Pages 2, 3 and 5
Editorial—Page 4
Virginia News—Pages 7 and 8
North Carolina News—Page 9
Portsmouth News—Pages 10 and 11
Berkley News—Page 11
Markets—Page 12
Shipping—Page 12